

BALLOT TITLE AND SUMMARY

STATE PRESCRIPTION DRUG PURCHASES. PRICING STANDARDS. INITIATIVE STATUTE.

- Prohibits state agencies from buying any prescription drug from a drug manufacturer at any price over the lowest price paid for the same drug by the United States Department of Veterans Affairs, except as may be required by federal law.
- Applies to any program where the state agency is the ultimate payer for a prescription drug, even if the state agency does not itself buy the drug.
- Exempts purchases of prescription drugs under managed care programs funded through Medi-Cal.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- Potential for state savings of an unknown amount depending on (1) how the measure's implementation challenges are addressed and (2) the responses of drug manufacturers regarding the provision and pricing of their drugs.

SUBJECT TO COURT
ORDERED CHANGES